

NEW IBERIA CITY MARSHAL
NEW IBERIA, LOUISIANA

Financial Report

Year Ended June 30, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/16/05

NEW IBERIA CITY MARSHAL
Financial Report
As of and for the Year Ended June 30, 2004

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ACCOUNTANT'S COMPILATION REPORT

Mr. Victor Delcambre, City Marshal
NEW IBERIA, LOUISIANA


I have compiled the accompanying financial statements of the governmental activities of the NEW IBERIA CITY MARSHAL; a component unit of the City of New Iberia, Louisiana as of June 30, 2004, and for the year then ended as listed in the foregoing table of contents, in accordance with statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

The New Iberia City Marshal has not presented the management's discussion and analysis information that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

In accordance with the Louisiana Government Audit Guide and the provisions of state law, I have issued a report dated January 5, 2005, on the results of my agreed-upon procedures.

New Iberia, LA
January 5, 2005

A handwritten signature in black ink that reads "R. Perry Templeton". The signature is written in a cursive, flowing style.

Government-Wide Financial Statements

NEW IBERIA CITY MARSHAL
NEW IBERIA, LOUISIANA

STATEMENT OF NET ASSETS
June 30, 2004

ASSETS

Cash	\$77,394
Accounts Receivable	3,495
Capital Assets, net of Accumulated Depreciation	<u>2,790</u>
Total Assets	<u>\$83,679</u>

LIABILITIES

\$ -

NET ASSETS

Invested in Capital Assets	\$ 2,790
Unrestricted	<u>80,889</u>
Total Net Assets	<u>\$83,679</u>

See accountant's compilation report.
See notes to financial statements.

NEW IBERIA CITY MARSHAL
NEW IBERIA, LOUISIANA

STATEMENT OF ACTIVITIES
June 30, 2004

Governmental Activities:

Expenditures

Auto expense	\$ 13,805
Outside Services	47,689
Office Supplies	3,071
Dues, Seminars and Insurance	18,161
Depreciation	1,233
Other Miscellaneous Expenditures	7,000
Legal and Accounting	<u>1,300</u>
Total Expenditures	<u>\$ 92,259</u>

Program Revenues:

Service Fees	<u>\$ 43,861</u>
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Change in Net Assets (Decrease) \$(48,398)

Net Assets – Beginning of the Year \$132,077

Net Assets – End of Year \$ 83,679

See accountant's compilation report.
See notes to financial statements.

Fund Financial Statements

NEW IBERIA CITY MARSHAL
NEW IBERIA, LOUISIANA

BALANCE SHEET – GOVERNMENTAL FUNDS
June 30, 2004

ASSETS

Cash (Note 4)	\$77,394
Due from City Court of New Iberia	<u>3,495</u>
Total Assets	<u>\$80,889</u>

FUND BALANCE

\$80,889

See accountant's compilation report.
See notes to financial statements.

NEW IBERIA CITY MARSHAL
NEW IBERIA, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUND
June 30, 2004

REVENUE

Service Fees	<u>\$ 43,861</u>
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EXPENDITURES

Capital Outlay

Current

Automobile Lease	13,805
Outside Labor	47,689
Office Supplies & Printing	3,071
Legal & Accounting Costs	1,300
Dues, Meetings, & Insurance	18,161
Telephone	1,159
Other Miscellaneous Costs	<u>5,841</u>

Total Expenditures	<u>91,026</u>
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EXCESS OF EXPENDITURES OVER REVENUE	(47,165)
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FUND BALANCE, BEGINNING OF YEAR	<u>128,054</u>
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FUND BALANCE, END OF YEAR	<u>\$ 80,889</u>
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See accountant's compilation report.
See notes to financial statements.

Notes to the Financial Statements

NEW IBERIA CITY MARSHAL
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. BASIS OF PRESENTATION - The accompanying financial statements for the New Iberia City Marshal have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments*, Issued in June 1999.
- B. FINANCIAL REPORTING ENTITY – The New Iberia City Marshal consists of One Marshal who is elected by the voters of the City of New Iberia and serves a six year term. The duties of the office of the Marshal is to provide legal service and security for the New Iberia City Court as needed. The Marshal has no employees but has five individuals who are outside contractors and work on an as needed basis. As an independently elected official, the Marshal is solely responsible for the operations of his office, which include the hiring or retention of employees, responsibility for deficits, and the receipt and disbursement of funds.

Statement No. 14 of the GASB established the following criteria for determining if a governmental entity is a primary government or a component unit of a primary government:

- a. It has a separately elected governing body.
- b. It is legally separate.
- c. It is fiscally independent of other governments.

Because certain operating expenditures of the Marshal are paid or provided by the City of New Iberia, the New Iberia City Marshal is considered a component unit of the City of New Iberia in accordance with the provisions of GASB Statement No. 14.

The accompanying financial statements present information only on the funds maintained by the Marshal and do not present information on the City of New Iberia, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

NEW IBERIA CITY MARSHAL
NOTES TO FINANCIAL STATEMENTS

C. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS –

The Marshal's basic financial statements include both government-wide (reporting the Marshal as a whole) and fund financial statements (reporting the Marshal's major fund). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. All of the Marshal's activities are classified as governmental activities.

In the government-wide Statement of Net Assets, the governmental activities column (a) is presented on a consolidated basis, (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Marshal's net assets are reported in three parts—invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Marshal first utilizes restricted resources to finance qualifying activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include bond forfeitures, drug seizures, equitable sharing receipts and fees and commissions.

This government-wide focus is more on the sustainability of the Marshal as an entity and the change in the Marshal's net assets resulting from the current year's activities.

BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS – The financial transactions of the Marshal are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Marshal:

GOVERNMENTAL FUNDS – The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Marshal:

General Fund – This type of fund is the general operating fund of the Marshal. The General Fund is financed through court costs and commissions as well as bond forfeitures earned by the Marshal. Resources of the fund are used to supplement the cost of operating the Marshal's office.

NEW IBERIA CITY MARSHAL
NOTES TO FINANCIAL STATEMENTS

- D. BASIS OF ACCOUNTING - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual:

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

- E. CAPITAL ASSETS - Capital assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant and equipment is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Office Equipment	5-7
Furniture and Fixtures	10

- F. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.

The governmental fund balance sheet includes a reconciliation between *fund balance-total governmental funds* and *net assets*. One element of that reconciliation explains that "capital assets used in governmental activities are

NEW IBERIA CITY MARSHAL
NOTES TO FINANCIAL STATEMENTS

not financial resources and, therefore, are not reported in the funds." The details of the \$2,790 difference are as follows:

Capital Assets Net of Accumulated	
Depreciation	<u>\$2,790</u>
Net Adjustment to Increase <i>Fund Balance-</i>	
<i>Total Governmental Funds to Arrive at Net</i>	
<i>Assets-Governmental Activities</i>	<u>\$2,790</u>

- G. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES – The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances-total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this (\$1,233) difference are as follows:

Depreciation Expense	\$1,233
Capital Outlay	<u> -</u>
Net Adjustment to Decrease <i>Net Changes in</i>	
<i>Fund Balances-Total Governmental Funds to</i>	
<i>Arrive at Changes in Net Assets of Governmental</i>	
<i>Activities</i>	<u>\$1,233</u>

- H. CASH & CASH EQUIVALENTS - Cash includes amounts in demand deposits. Under state law, the New Iberia City Marshal may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.
- I. COMPENSATED ABSENCES - The New Iberia City Marshal has no policy relating to vacation and sick leave.

NOTE 2: CAPITAL ASSETS

A summary of general fixed assets follows:

NEW IBERIA CITY MARSHAL
NOTES TO FINANCIAL STATEMENTS

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets, Being Depreciated:				
Equipment	\$12,540	\$ -	\$ 2,036	\$10,504
Furniture and Fixtures	<u>1,819</u>	<u>-</u>	<u>-</u>	<u>1,819</u>
Total Capital Assets Being Depreciated	14,359	-	2,036	12,323
Less Accumulated Depreciation for:				
Equipment	8,517	1,233	2,036	7,714
Furniture and Fixtures	<u>1,819</u>	<u>-</u>	<u>-</u>	<u>1,819</u>
Total Accumulated Depreciation	<u>10,336</u>	<u>1,233</u>	<u>2,036</u>	<u>9,533</u>
Total Capital Assets, Being Depreciated, Net	<u>\$ 4,023</u>	<u>\$1,233</u>	<u>\$ -</u>	<u>\$ 2,790</u>

NOTE 3: PENDING LITIGATION

The City Marshal was not involved in any material lawsuits at June 30, 2004.

NOTE 4: CASH AND CASH EQUIVALENTS

At June 30, 2004 the carrying amount of the City Marshal's deposits is \$77,394 and the bank balance is \$81,074. These deposits are secured from risk by federal deposit insurance.

NOTE 5: The City of New Iberia, Louisiana provides the following for the City Marshal:

1. Marshal's salary in part
2. Telephone
3. Premises and utilities.
4. Marshal's retirement in part

These amounts have not been included in these financial statements.

NEW IBERIA CITY MARSHAL
NOTES TO FINANCIAL STATEMENTS

NOTE 6: LEASES

At June 30, 2004, the New Iberia City Marshal is committed to a month to month operating lease on an automobile. Lease payments are \$747 per month.

NOTE 7: PENSION PLAN

The New Iberia City Marshal is a participant in the Municipal Employees' Retirement System (MERS) of Louisiana, a multiple-employer public employee retirement system.

All permanent City employees who work at least 35 hours a week, not participating in another public funded retirement system and are under 60 years of age are members of the plan. Members of the plan may retire with thirty years of creditable service regardless of age, with twenty-five years of service at age 55, and with 10 years of service at age 60. The retirement allowance is equal to 3% of the member's final compensation multiplied by his years of creditable service, with certain provisions made for those employees who were members of the supplemental plan only prior to its revision date. Their retirement allowance may not exceed the greater of 100% of a member's final salary or compensation. The system also provides disability and survivor benefits. Benefits are established by the State statute.

State statute requires covered employees to contribute 9.25% of their earnings to the plan. The City of New Iberia contributes a percentage to the plan as employer only for the portion of compensation the City Marshal receives from the City.

Although contributions are determined by State statute rather than actuarial calculations, actuarially required contributions are determined for the System, but not separately for the New Iberia City Marshal.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employers. The System does not make separate measurements of assets and pension benefit obligation for individual employers.

NEW IBERIA CITY MARSHAL
NOTES TO FINANCIAL STATEMENTS

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's June 30, 2004 comprehensive annual financial report. The City of New Iberia does not guarantee the benefits granted by the System.

NOTE 8: OTHER POST RETIREMENT BENEFITS

The New Iberia City Marshal provides no post retirement benefits.

NOTE 9: CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF PRIOR YEAR FUND EQUITY

As a result of implementing Statement 34, the following adjustments were required to restate beginning net assets for the governmental activities:

Total fund balances/fund equity, as previously reported	\$128,054
Statement 34 adjustments:	
Capital assets, net of depreciation	<u>4,023</u>
Net assets at June 30, 2003	<u>\$132,077</u>

NOTE 10: ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America that requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

R. PERRY TEMPLETON
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(A Professional Accounting Corporation)

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**Independent Accountant's Report
on Applying Agreed-Upon Procedures**

To the New Iberia City Marshal

I have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the New Iberia City Marshal and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about New Iberia City Marshal's compliance with certain laws and regulations during the year ended June 30, 2003 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures during the year for materials and supplies exceeding \$5000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

I obtained from the City Marshal a list of immediate family members and a list of outside business interests as specified.

3. Obtain from management a listing of all employees paid during the period under examination.

The City Marshal has no employees. Fees paid to deputies are treated as contracted services.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

The City Marshal has no employees.

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

No budget was adopted for the year.

6. Trace the budget adoption and amendments to the minute book.

No budget was adopted for the year.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

No budget was adopted for the year.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:
- (a) trace payments to supporting documentation as to proper amount and payee;
 - (b) determine if payments were properly coded to the correct fund and general ledger account; and
 - (c) determine whether payments received approval from proper authorities.

I randomly selected six disbursements during the period and traced payments to supporting documents as to proper amount and payee. I also determined that the payments were properly coded to the correct fund and general ledger account and were properly approved.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The City Marshal had no meetings during the year and therefore did not fall under the provisions of the open meetings law.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

Upon examination of bank deposits for the period, it was concluded that no deposits appeared to be proceeds of bank loans, bonds, or other indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

The City Marshal has no employees. He does, however, have a contractual arrangement with his deputies. Upon examining these records, it was determined that no payments were made which would constitute a bonus, and advance, or a gift.

General

12. The results of my tests disclosed two instances of noncompliance that is required to be reported under Government Auditing Standards. Louisiana Revised Statute 24:513 requires that the Marshal's financial statements be completed and released within six months of its year end. This year report is being released subsequent to that due date. The delinquency was caused primarily by problems experienced by the independent accountant in adopting GASB 34. Management has adopted a corrective action plan including the re-evaluation of its selection process and is establishing a monitoring system to monitor the progress of future independent accountants and their financial statement preparation.

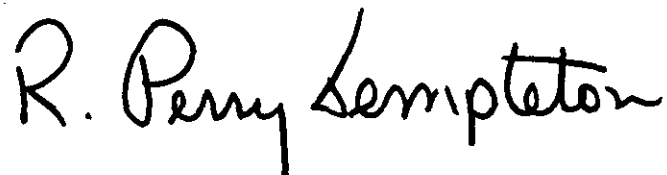
Also, the Marshal did not prepare and adopt a budget as required by Louisiana Revised Statute 39:1305. Management will prepare and adopt a budget for the General Fund and will comply with the provisions of R.S. 39:1305 for all future years.

There were no prior year findings.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of New Iberia City Marshal and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

New Iberia, LA
January 5, 2005



LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

August 29, 2004 (Date Transmitted)

Perry Templeton, CPA (APAC)
124 W. Washington Street
Suite A
New Iberia, Louisiana 70560-3765
 (Auditors)

In connection with your compilation of our financial statements as of June 30, 2002 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 30, 2002

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☐ No ☒

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

Yes [X] No []

Yes [X] No []

Yes [X] No []

Yes ☒ No ☐

Yes [X] No []

President _____ Date _____